



MINUTES

**CITY OF SCOTTSDALE FIRE LOCAL BOARD OF THE
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM (PSPRS)
SPECIAL MEETING
9:30 a.m., Thursday, March 24, 2011
Human Resources Verde Conference Room
7575 E. Main Street
Scottsdale, Arizona 85251**

PRESENT: Jack Cross, Chairman/Mayoral Designee
Todd Caverner, Elected Member
Steve Springborn, Elected Member

ABSENT: Jeffrey Burg, Citizen Member
Velicia McMillan, Citizen Member/Merit Head

STAFF: Colleen Barraza
Ken Nemec
Chanda Washington

OTHERS: Hannah Auckland, Esq.
Firefighter James M. Levenda

Call to order

Chairman Cross called the meeting to order at 9:33 a.m. He stated that the first order of business was the acknowledgement of Board Members Burg and McMillan's excused absences.

Roll call

A formal roll call confirmed the members present as stated above.

1. **Review and Approval of Meeting Minutes—December 16, 2010.**

BOARD MEMBER CAVNER MOVED TO APPROVE THE REGULAR MEETING MINUTES OF THE DECEMBER 16, 2010 PSPRS FIRE LOCAL BOARD MEETING AS PRESENTED. BOARD MEMBER SPRINGBORN SECONDED THE MOTION,

WHICH CARRIED BY A VOTE OF THREE (3) TO ZERO (0). BOARD MEMBERS BURG AND MCMILLAN WERE ABSENT.

2. Discuss PSPRS Membership Eligibility of Acting HR Executive Director / Former Acting Assistant Fire Chief Terry S. Welker

Mr. Nemec reported that in December 2010 Acting HR Executive Director Terry Welker began splitting his time between the Fire Department and the Human Resources Department (HR).

During the December 16, 2010 meeting the Board decided that Acting HR Executive Director Welker should remain in the Public Safety Personnel Retirement System as long as there was a possibility that he could be called out to hazardous duty assignments.

Mr. Nemec explained that a couple of weeks ago the Scottsdale Fire Department was reorganized and Acting HR Executive Director Welker was informed that his assignment with the Fire Department had ended and his HR responsibilities are now officially full-time.

He stated that Human Resources forwarded a staffing requisition to payroll transferring Mr. Welker to the HR budget with a revision date of March 16, 2011.

Mr. Nemec summarized that the Arizona State Retirement System (ASRS) informed him that as soon as Mr. Welker was transferred to an employment position covered under the ASRS, the City of Scottsdale should begin paying contributions to the ASRS on his behalf. He suggested that the Board pull him out of the PSPRS, since his full time position is now in HR.

In response to Board Member Springborn's inquiry regarding whether the transference of a PSPRS member to the ASRS required an action by the Board, Chairman Cross suggested that the Board take a vote on the action since this was unusual circumstances.

Ms. Auckland stated that the Board could certainly make the position by putting it on the record that they agree with staff's recommendation.

Mr. Nemec recalled that in July or August of 2010 Public Safety inquired why staff included Acting HR Executive Director Terry S. Welker in the PSPRS. He suggested that the Board take action on the record to remove him from the PSPRS in order to create a clear record.

BOARD MEMBER SPRINGBORN MOVED TO REMOVE ACTING HR EXECUTIVE DIRECTOR TERRY S. WELKER'S MEMBERSHIP IN THE PSPRS. BOARD MEMBER CAVNER SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF THREE (3) TO ZERO (0). BOARD MEMBERS BURG AND MCMILLAN WERE ABSENT.

3. **Discussion and Vote on the Accidental Disability Retirement Application of Firefighter James M. Levenda**

Ms. Washington reported that Firefighter James M. Levenda incurred a job related injury to his back in 2008. She stated that although he has undergone surgical procedures to his back, Firefighter Levenda has experienced irritations to the initial injury.

She explained that on December 16, 2010 the Board directed staff to send Firefighter Levenda for an IME which was scheduled for January 2011. Due to timeline restraints staff had to wait until March to present it to the Board.

Chairman Cross stated that the IME report was fairly clear and invited the Board to make comments or present questions to Firefighter Levenda who was attending today's meeting.

Board Member Springborn opined that all medical information including Dr. Severt's IME report was very clear.

BOARD MEMBER SPRINGBORN MOVED TO FIND THAT THE APPLICANT HAS A PHYSICAL CONDITION WHICH TOTALLY AND PERMANENTLY PREVENTS HIM FROM PERFORMING A REASONABLE RANGE OF DUTIES WITHIN THE FIREFIGHTER CLASSIFICATION. BOARD MEMBER CAVNER SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF THREE (3) TO ZERO (0). BOARD MEMBERS BURG AND MCMILLAN WERE ABSENT.

BOARD MEMBER SPRINGBORN MOVED TO FIND THAT THE APPLICANT'S DISABLING CONDITION WAS INCURRED IN THE PERFORMANCE OF HIS DUTIES AS A FIREFIGHTER. BOARD MEMBER CAVNER SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF THREE (3) TO ZERO (0). BOARD MEMBERS BURG AND MCMILLAN WERE ABSENT.

BOARD MEMBER SPRINGBORN MOVED TO FIND THAT THE APPLICANT'S DISABILITY DID NOT RESULT FROM A PHYSICAL OR MENTAL CONDITION OR INJURY THAT EXISTED OR OCCURRED PRIOR TO THE APPLICANT'S DATE OF MEMBERSHIP IN PSPRS WHICH IS JULY 1, 2005. BOARD MEMBER CAVNER SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF THREE (3) TO ZERO (0). BOARD MEMBERS BURG AND MCMILLAN WERE ABSENT.

BOARD MEMBER SPRINGBORN MOVED TO APPROVE THE ACCIDENTAL DISABILITY RETIREMENT PENSION OF FIREFIGHTER JAMES M. LEVENDA SUBJECT TO FINAL PAYROLL CALCULATIONS AND QUALIFIED DOMESTIC RELATIONS ORDERS. BOARD MEMBER CAVNER SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF THREE (3) TO ZERO (0). BOARD MEMBERS BURG AND MCMILLAN WERE ABSENT.

Chairman Cross expressed the Board's appreciation of Firefighter Levenda's many years of excellent service to the citizens of Scottsdale and Firefighter Levenda thanked the Board for their support.

CLOSED PUBLIC HEARING

4. Motion to Recess into Executive Session for Discussion of A.R.S. Sec. 38-844 Retirement Application of Firefighter James M. Levenda

Chairman Cross deemed it unnecessary to recess into Executive Session.

RECONVENE PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM MEETING FOLLOWING EXECUTIVE SESSION

5. Report to the Board on Recently Completed Transfers of Prior Service Credits, if any

Mr. Nemec reported that Chief Garrett Olson purchased two years of service from his military service. Chairman Cross stated that a firefighter could purchase time using their deferred comp on a pre-tax basis.

Mr. Nemec explained that Captain Dwayne Bader purchased five years of service from his Rural Metro time in the amount of \$116,000. Board Member Springborn confirmed that they were discussing Captain Bader since there is also a Firefighter Bader.

Chairman Cross stated that after Captain Bader purchased service time he had a total of 10.65 service years, noting that it would have been more expensive if he had waited later in his career to buy those years of service.

6. Board Suggestions for Upcoming Agenda Items.

Board Member Springborn requested that staff provide a spreadsheet going back to 2005 reflecting the names of individuals that came from other departments including the years of service, dollar values, and department names. Ms. Washington stated that she was working with Public Safety on the creation of such a spreadsheet.

Board Member Springborn reported that the Scottsdale Fire Department plan was overfunded and contains more funds than required per the actuarial. He pointed out that if any of the transferees' funds have not yet been shifted over into the City of Scottsdale Fire Department plan then than plan would be even more overabundant.

Chairman Cross explained that a code was used during the funds transferring process and Public Safety should be able to complete a computer sort in order to create the spreadsheet.

Mr. Nemec clarified that staff needs to prepare a spreadsheet for the firefighters that transferred over from other cities which includes the service time and funding transferred over to the City of Scottsdale.

Board Member Springborn suggested preparing a running total of transferees since 2005. He opined that the spreadsheet should show each individual transferee in addition to including a running total.

Chairman Cross directed staff to prepare a spreadsheet that includes the transferee's name, the amount of employee contributions transferred, the amount of employer contributions transferred, and the grand total. Board Member Springborn pointed out that those transfers affect the Fire Department plan's interest earning and total balance.

ADJOURNMENT

With no further business to discuss, being duly moved and seconded, the meeting adjourned at 9:51 a.m.

Respectfully Submitted by:

REVIEWED BY:

Ken Nemec
PSPRS Fire Local Board Secretary

Jack Cross
PSPRS Chairman/Mayoral Designee